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KUALA LUMPUR FOR WYNN S. PINKSTON
ECON

E.O. 12958: N/A
TAGS: [ETTC](#) [KOMC](#) [MY](#)
SUBJECT: BLUE LANTERN LEVEL 3: PRE-LICENSE END-USE CHECK
ON APPLICATION 050088296

REF: BLUE LANTERN GUIDEBOOK 2006

¶1. This is an Action Request. See paragraphs 2-4.

¶2. The Department's Office of Defense Trade Controls Compliance (PM/DTCC) requests post's assistance in conducting a pre-license check on application 050088296 for the export of gyroscopes to Malaysia. Post is requested to complete this Blue Lantern check within 30 days. Lack of response to a Blue Lantern check will affect pending and future applications involving parties to this license.

¶3. Reason for request: unfamiliar end-user. Foreign end-user OROGENIC Resources Sdn Bhd has not appeared on any previous license applications, and its bona fides have never been verified by a Blue Lantern check. Post should make appropriate inquiries to verify the bona fides of Orogenic Resources Sdn Bhd, confirm that the company is in the gas and oil survey business, and assess the risk of diversion. The following questions are provided as suggested guidance:

--What is the nature of OROGENIC Resource's business?

--When was the company established and who are its principals?

--Did the company order the exact type and quantity of items listed on this application? Does the company have proper supporting documentation for this proposed transaction?

--Will the company be handling or storing the items listed on the application? If so, does it have secure facilities and proper accounting and security procedures for handling these sensitive USML items?

--The application's supporting documentation states that OROGENIC Resources leases out System Entwicklungs Gesellschaft mbH's bore hole survey systems to various oil exploration companies but always retains ownership and control of systems. How exactly does OROGENIC plan to accomplish this? Will an OROGENIC representative be in possession of the bore hole survey systems at all times, or will the lessees occasionally have control over the units?

--What types of organizations are among OROGENIC Resource's typical customers and where are the customers located?

--Does the company understand the restrictions on United States Munitions List (USML) items, especially the prohibition against unauthorized re-transfers and re-exports?

14. Department requests that post conduct a site visit to the company in order to provide Department with an assessment of its business operations and on-site security. If a site visit is not possible, please inform PM/DTCC case officer. Finally, post is asked to assess whether the company appears to be a reliable recipient of USML items. End action.

15. For background, the following details of the license in question are provided:

DTC Case: 050088296

QUANTITY/COMMODITY:

8 G2000 Gyroscopes Part No. 779980-0063 manufactured by Northrop Grumman, Litton System Inc.

License Value: USD 40,128.00

SELLER:

System Engineering GES, Inc.
14260 Garden Road Suite 18A
Poway, CA 92064
Company contact: Gerard Hohner, tel. 805-427-5857

FOREIGN CONSIGNEE:

System Entwicklungs Gesellschaft mbH
Bahnhofstrasse 6
D-79359 Riegel
Germany
Tel.: 07642/90 24 12
Fax: 07642/90 24 24
E-Mail: SEG Riegel@t-online.de

FOREIGN INTERMEDIATE CONSIGNEE:

GEIS-SDV
Offnadinger Strasse 2
79238 Ehrenkirchen-Kirchhofen
Germany
(Freight Forwarder)

FOREIGN END-USER:

OROGENIC Resources Sdn Bhd
No. 17 Jalan Astaka U8/84 Seksyen U8, Bukit Jelutong
40150 Shah Alam
Malaysia

PURPOSE:

System Entwicklungs Gesellschaft mbH designed, developed and manufactures a commercial bore hole survey system that is used for research and exploration in the oil, gas, mining and thermal energy resources industries. System Entwicklungs Gesellschaft mbH integrates the G2000 gyroscopes and other components into their system. OROGENIC Resources has purchased four such bore hole survey systems. Each system uses two (2) G2000 gyroscopes so this license request is for eight (8) G2000 Gyroscopes. OROGENIC Resources leases each system out to various oil exploration companies but always retains ownership and control of the systems.

16. Submitted in support of the license application were the following documents (PM/DTCC can fax documentation to post upon request):

--Nontransfer and Use Certificate (Form DSP-83), signed by Gerard Hohner, President SEG (System Entwicklungs Gesellschaft mbH), dated 1-30-2008; and signed by Kulzher Ku Bahetudh, Managing Director ORSB (OROGENIC Resources Sdn Bhd), dated 25/1/2008

--Purchase order no. S-210 from System Entwicklungs Gesellschaft mbH to System Engineering GES, dated January 25, 2008

¶7. Please slug reply for PM/DTCC - BLUE LANTERN COORDINATOR and include the words "Blue Lantern" and the case number in the subject line. POC is Judd Stitzziel, PM/DTCC, Phone: 202-663-3455; email: StitzzielJD@state.gov; SIPRNET: StitzzielJD@state.sgov.gov. The Blue Lantern Guidebook (ref) is available as a PDF file in the Bunche Library's Electronic Library collection on the DOS Intranet:
[http://virtuallibrary.state.gov/BlueLanternGuidebook2006%2520 final .pdf](http://virtuallibrary.state.gov/BlueLanternGuidebook2006%2520%20final.pdf)

¶8. Department is grateful for post's assistance in this matter.
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